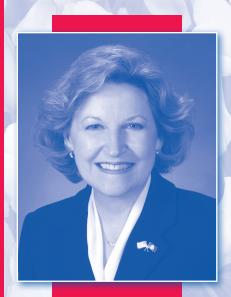
BAILEY BULLETIN



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Committees:

- Financial Institutions and Insurance (ranking member)
- Ways and Means (assistant ranking member)
- Health Care and Wellness (assistant ranking member)
- Joint Committee on Veterans' and Military Affairs
- Select Committee on Pension Policy

Do you need a speaker for your group? If so, please contact me!

Representative Barbara Bailey 10th District

Dear friends and neighbors,

I hope this letter finds you well and that you are enjoying our nice spring days.

The 2010 regular and special legislative sessions have concluded. The sessions were incredibly difficult, with very mixed results. However, I understand they are nowhere near as difficult as the tough times so many families, individuals and small businesses are facing right now.

The issue that dominated the legislative sessions was the state's \$2.8 billion spending gap. Two different sets of ideas were put forward to address the budget problem. The first set, which ultimately prevailed, relied on new tax increases, federal dollars, transfers from state accounts, reserves, and a few cuts to state government. This approach does not address the structural budget problems and sets our state up for an estimated \$3 billion spending gap in the next budget cycle.

The second set of solutions, which I supported, focused on creating private-sector jobs, prioritizing state government, reforming our budget process, and preventing tax increases. Many of these solutions had bipartisan support, but the leadership in the majority party in the House and Senate would not allow them to move forward. I talk more about these solutions in this newsletter.

While the budget, tax increases and a lack of focus on jobs were big disappointments, good measures supporting education, public safety and veterans were signed into law. Many of these bills passed with strong, bipartisan support.

In closing, I would like to thank all of you who have contacted me, attended my coffee talks and participated in my tele-town hall meetings. Your thoughtful ideas, concerns and questions are greatly appreciated.

Although the legislative sessions are over, I am your state representative year round. Please contact me if I can ever be of assistance.

Sincerely,

Rep. Barbara Bailey



Representative Barbara Bailey • 10th District

STATE OPERATING BUDGET



Rep. Barbara Bailey huddles with state lawmakers on the House floor to discuss a bill.

HOW THE \$2.8 BILLION SPENDING GAP WAS ADDRESSED

State lawmakers knew last year the spending gap would be around \$2.8 billion. I joined my minority party colleagues in proposing budget solutions that would prioritize government, reform the budget process and

create jobs. We also took a stand against tax increases. Unfortunately, these budget solutions were neglected in favor of a different approach.

After 60 days of a regular legislative session, and an extra 30 days of a special legislative session, the majority party and governor opted for an unsustainable budget plan based on:

- \$798 million in new tax increases;
- \$661 million in spending reductions;
- \$633 million in federal funds;
- \$328 million in transfers from other dedicated accounts;
- \$256 million in reserves (\$229 million from rainy-day fund); and
- \$178 million in cost shifts to other accounts.

This plan relies on \$1.2 billion in one-time monies to fund ongoing expenses. These monies will likely not be available in the future and this sets our state up for an estimated \$3 billion spending gap in the next budget cycle. This approach is unsustainable and irresponsible.

HELPING OUR VETERANS IN NEED

As co-chair of the Joint Committee on Veterans' and Military Affairs, I had the honor of chairing two meetings last year. Here are two veteran-support measures that were heard in the committee and recently signed into law:

- **House Bill 1876** establishes the Disabled Veterans Assistance Account, which will be funded through voluntary donations. The account will help veterans in need with medical equipment, home and vehicle repairs, and food and shelter, and is administered by the Washington State Department of Veterans Affairs (DVA).
- Senate Bill 6342 authorizes the DVA to work with the public and private sectors on projects at the Washington Soldiers Home in Orting, which provides eligible military veterans personal and nursing care, shelter, and related services.

For more information on services for veterans, please call 1-800-827-1000 or visit http://www.dva.wa.gov/. If you need any assistance, please contact me.

SUSPENDING THE TAXPAYER PROTECTION ACT (INITIATIVE 960)

TAXES RAISED, WHILE STATE EMPLOYEES RECEIVE PAY RAISES

The voters of our state, including more than 55 percent in the 10th District, passed the Taxpayer Protection Act (Initiative 960) in 2007. A component of this law required a two-thirds vote of the Legislature to raise taxes.

Through **Senate Bill 6130**, the majority party and governor suspended this requirement so they could pass a budget built on new tax increases. I fought against this measure, but in the end it passed despite bipartisan opposition.

When the Taxpayer Protection Act was suspended, it signaled the beginning of new tax increases and the end of any meaningful state government reform.

These new tax increases will hurt our economy and add to the costs of services associated with veterinarians, optometrists, dentists, graphic artists, attorneys, accountants, hairstylists, architects, direct sellers, banks, credit cards, and real estate agents. Citizens will also have to pay more for their bottled water, soda, candy, gum, canned meats, beer, and cigarettes. Please contact me if you would like more details.

SOLUTIONS THAT COULD HAVE MOVED FORWARD

CREATING PRIVATE-SECTOR JOBS

The only way our economy can grow is through private-sector job creation. Unfortunately, as government has grown, private-sector jobs have disappeared. From January 2008 to February 2010, more than 1,300 government jobs were added in our state, while 189,300 private-sector jobs were lost (Source: Washington Employment Security Department).

Olympia must be a part of the solution — not the problem. Unfortunately, there are too many in our state capital who feel the best way to generate more revenue is to raise taxes. I disagree.

The best way to create more revenue (tax collections) is to create private-sector jobs. I supported a job-creation plan that offered employers regulatory relief, health care reform and low-cost energy. It would help all sectors of the economy.

Representative Barbara Bailey • 10th District

PRIORITIZING STATE GOVERNMENT

I have seen firsthand the poor budgeting decisions of the last five years. Part of the problem is our state moved away from a bipartisan, priorities of government budgeting model that was so successful in 2003. We must to restore this process and live within our means.

The priorities of state government should be: providing for a superior basic education system for our children; ensuring public safety; and



Rep. Barbara Bailey speaks on the House floor.

caring for our most vulnerable citizens. As I wrote in a column for the *Everett Herald*, when our state runs large insurance companies, liquor stores and vast technological and informational services, it takes resources away from the real priorities of government.

These tough budget times offered the Legislature a great opportunity to find ways to deliver state programs and services in more efficient and cost-effective ways. Unfortunately, it did not happen as these quotes from majority party budget writers demonstrate:

"...we're not willing to make the tough choices of making real reform. We kind of want to do window dressing

Senate Ways and Means Vice Chairman Rodney Tom, Olympian — March 24, 2010

"I came in saying a lot of things that at this point I have not been able to deliver on." House Ways and Means Chairwoman Kelli Linville, Seattle Times + March 10, 2010

REFORMING OUR BUDGET PROCESS

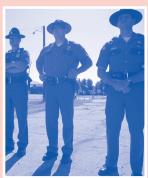
In good economic times, state government became too large and expensive. We must get our fiscal house in order now, and part of the solution is to reform our budget process.

Our state needs guidelines to ensure budget sustainability, accountability and transparency – regardless of what party is in control of the process. These reforms that I sponsored are based on the same principles followed by responsible families and employers:

- establish a state spending limit (House Joint Resolution 4207);
- require the Legislature to adopt a balanced budget (House Bill 1655);
- prohibit the governor or the Legislature from proposing an operating budget deemed unsustainable (House Bill 2228); and
- deposit exceptional state revenue in the state rainy-day fund during good economic times (House Joint Resolution 4209).

KEEPING OUR COMMUNITIES SAFE

INCIDENTS DRIVE REFORMS



As your state representative, I have always taken the safety of our communities seriously and was proud to be named 2009 Legislator of the Year by the Washington Council of Police and Sheriffs.

Tragic and shocking incidents in our state last year revealed flaws in our public safety laws and state policies.

State lawmakers took a close look at these incidents and, in bipartisan collaboration, crafted several public safety and law enforcement support measures that were signed into law. I voted in favor of all of these bills:

• House Bill 2777 increases penalties for repeat domestic violence offenders.

- House Bill 2717 prevents outings of the criminally insane from state facilities, except for special circumstances.
- House Bill 2625 allows judges latitude to determine if bail is appropriate for offenders arrested on felony charges.
- House Bill 2424 updates child exploitation laws to reflect use of the Internet to view and share sexually explicit photos.
- **Senate Bill 6476** increases penalties for those who abuse children by selling them into prostitution, and provides specialized services for children who have been abused through sex trafficking.
- House Bill 2422 expands the list of state and local agencies, in addition to private individuals, that must be notified when a felon committed to a mental health facility escapes.
- House Joint Resolution 4220 would allow more discretion for judges to deny bail to suspects facing a life sentence and who are deemed dangerous to the community. Since this would involve a state constitutional amendment, voters will have the final say in November.

Representative Barbara Bailey • 10th District

COFFEE TALKS

PLEASE JOIN ME IN AN UPCOMING COFFEE TALK

Wednesday, May 26

La Conner

9 a.m. to 10 a.m.

Calico Cupboard, 720 South First Street

Stanwood

2:30 p.m. to 3:30 p.m.

Scandia Coffeehouse, 9808 Highway 532



Thursday, May 27

Oak Harbor

8 a.m. to 9 a.m.

Angelo's Caffe, 670 SE Pioneer Way

Coupeville

10:30 a.m. to 11:30 a.m.

Miriam's Espresso Café, 200 South Main Street

Freeland

1 p.m. to 2 p.m.

1504 Coffee Bar, 18220 State Route 525

Langley

2:30 p.m. to 3:30 p.m.

Useless Bay Coffee Company, 121 2nd Street

Due to election-year restrictions, this is the final newsletter I can send you in 2010. I also cannot send out e-mail updates.

Fortunately, I am allowed to respond to constituents who contact me. If you ever have feedback or questions, please contact me. I look forward to hearing from you!



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